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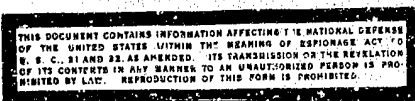
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THIS IS UNEVALUATED INFORMATION

SOURCE Politika, No 13253, 1949.BULGARIAN ECONOMY SHOWS DECLINE

During the last month, the Bulgarian Government has issued several economic decrees lowering the price and improving the quality of bread and putting certain farm products, clothing, shoes, and building materials on the free market. However, these measures were not the result of an improvement in the Bulgarian economic situation, but measures to appease the workers and farmers, among whom great dissatisfaction with the Party and the government was beginning to develop.

The sowing plan, despite campaigns by political organizations, the press, and the government, and despite the removal of farmers, especially middle farmers, to concentration camps, was fulfilled only 45 to 80 percent according to official figures, while there is positive evidence that these figures are 10 to 20 percent too high. Farmers are refusing to plant all their crop land, from which they derive little profit. The sale of their produce brings them scarcely enough cash to buy anything, and there are all sorts of difficulties involved in purchasing on the free market.

As of 1 March the over-all Bulgarian production plan had been fulfilled 99 percent. This means that, if we except the tobacco, leather, and shoe industries, which exceeded their plans, the other industries met their plans by an average of only 70 or 80 percent, while the capital construction plan was fulfilled only 51 percent.

Petko Kunin, Minister of Industry, was obliged to admit before an extraordinary meeting of directors of industrial enterprises that the working population was demoralized, and that this demoralization was a threat to the first year of the Five-Year Plan and to the fulfillment of the Plan as a whole. He announced that individual branches of industry had fulfilled their plans during the first half of May by 32 to 104 percent, and industry as a whole by 82 percent. However, the construction industry had accomplished only 60 to 70 percent of its plan, the food-processing industry only 40 to 50 percent.

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Recently, work was suspended on five major hydroelectric power plants, some of which had been started by German technicians under the Fascist regime. The Bulgarian government has not announced this work suspension, but there are constant reports that the construction plan has been altered on the basis of Soviet experience so that irrigation reservoirs will be built instead of power plants. This change has been inspired by the Soviet desire to prevent the development of Bulgaria from a producer of fruits and vegetables to an industrial country. As early as 1947, Soviet experts had reported that the power plants could not be built because of the unsuitability of the terrain. As a result, the Bulgarian government agreed to import electric power from Rumania, and hastily began to erect long-distance power lines for that purpose. For some reason, a sudden change was made in this plan, as so far the importation of electric power from Rumania for Bulgarian industry has been postponed.

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